

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

August 2, 2022

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 116 (the "District") met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, on the 2nd day of August, 2022, and the roll was called of the members of the Board:

Chad Millis	President
Dallas Duffy	Vice President
Angela Wood	Secretary
Kafi Dalcour	Assistant Secretary
Jesse Matthews	Assistant Vice President

and all of the above were present except Director Dalcour, thus constituting a quorum.

Also attending the meeting in person or by telephone were Cole Tipton, a member of the public; Lynn Franklin, a resident of the District; Kathryn Foss of Municipal Financial Services; Greg Lentz of Masterson Advisors; Angie Hartwell of Touchstone District Services ("Touchstone"); Isabel Mata of Wheeler & Associates, Inc.; Mary Ann Mihills of Municipal Accounts & Consulting LP; Rick Marriott of Si Environmental, LLC ("Si"); Asim Tufail of Blackline Engineering, LLC; and Adisa Harrington, Alexandra Manautou, Anne-Marie Bradford, and Kathryn Blanton of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Harrington noted that while this is an in-person meeting of the Board, certain consultants and/or members of the public are attending by teleconference.

PUBLIC COMMENT

Ms. Franklin stated she has spoken with Texas Pride Disposal regarding the previously discussed street parking concerns causing garbage and recycling collection issues, and Kevin Atkinson indicated he was preparing correspondence to the District's residents regarding same. The Board requested that the correspondence be reviewed by ABHR and Director Matthews before distribution to the residents.

CONSENT AGENDA

The minutes of the July 5, 2022, regular meeting and consultant reports were provided in advance of the meeting. After discussion, Director Duffy moved to approve the following consent items: (1) the minutes of the July 5, 2022, regular meeting, as submitted; (2) District development matters; (3) financial and bookkeeping matters; (4) tax assessment and collection matters; and (5) direct that, where appropriate, items are

filed appropriately and retained in the District's official records. Director Matthews seconded the motion, which passed unanimously. Copies of all reports approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the consent agenda.

GARBAGE COLLECTION AND RECYCLING SERVICES

The Board reviewed a report provided in advance by Texas Pride Disposal, a copy of which is attached.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills reviewed the District's expenses for the month of July.

Ms. Mihills then reviewed and requested approval of a Second Amended and Restated Agreement for Bookkeeping Services with Municipal Accounts & Consulting LP. She stated the amendment changes the billing structure from a base fee contract to an hourly contract. Following review and discussion, Director Duffy moved to approve the Second Amended and Restated Agreement for Bookkeeping Services with Municipal Accounts & Consulting LP. Director Wood seconded the motion, which passed unanimously.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS, INCLUDING 2022 TAX RATE

Ms. Mata generally discussed the status of tax collections for the 2021 tax year. She stated the tax accounts will be transferred to Frost Bank due to unforeseen services fees charged by Allegiance Bank.

Mr. Lentz then distributed and reviewed a debt service tax rate analysis, a copy of which is attached. Discussion ensued and the Board determined to publish notice of the 2022 tax rate at \$0.84, with \$0.43 allocated to debt service and \$0.41 allocated to operations and maintenance. Mr. Lentz discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Matthews moved to (1) set the public hearing date for September 6, 2022; and (2) authorize the tax assessor/collector to publish notice in the Fort Bend Herald of the District's meeting on September 6, 2022, to set the proposed 2022 total tax rate of \$0.84 per \$100 of assessed valuation, with \$0.43 allocated for debt service on water, sewer, and drainage bonds and \$0.41 allocated for operations and maintenance. Director Millis seconded the motion, which passed unanimously.

REVENUE MANAGEMENT SERVICES

The Board concurred to defer this matter until the next meeting.

OPERATOR'S REPORT

Mr. Marriott reviewed the operator's report with the Board, including monthly repair and maintenance items, as outlined in the report. A copy of the operator's report is attached. He stated the water accountability for the last billing period was 97.19%.

Mr. Marriott discussed an expensive tapline repair performed by Si under a customer's driveway.

Mr. Marriott provided an update regarding the status of the sanitary sewer manhole repairs located through the survey.

Mr. Marriott discussed the status of the District's well production, stating Si is monitoring same in order to determine if/when the first stage of the District's Drought Contingency Plan will be triggered.

Mr. Marriott presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Mr. Marriott reviewed cost estimates for the replacement or repair of lift pump no. 1 at lift station no. 2. He stated the pump was installed in 2009 and has not required any repairs since. Discussion ensued.

Mr. Marriott stated he received a call from the Lakes of Williams Ranch Owners Association (the "OA") requesting that the Board consider adjusting the rate charged to the OA on their water bill. The Board noted that the OA is currently being billed at a reduced rate, per the District's Rate Order, and concurred to take no action regarding the request.

Following review and discussion, Director Matthews moved to (1) approve the operator's report; (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order, and direct that the delinquent customer list be filed appropriately and retained in the District's official records; and (3) authorize Si to proceed with the repair of lift pump no. 1 at lift station no. 2 in an amount not to exceed \$49,287, plus \$1,000 for labor costs. Director Wood seconded the motion, which passed unanimously.

Ms. Harrington then reviewed a notice received from the City of Richmond regarding the annual CPI increase to the fire protection rate from \$15.04 to \$16.40. She

stated an item will be included on the next agenda to consider amending the District's Rate Order to include the new fee.

ENGINEER'S REPORT

Mr. Tufail presented and reviewed the engineer's report, a copy of which is attached.

Mr. Tufail provided an update regarding previously approved projects, developer projects, and certain annexation matters.

Mr. Tufail provided an update regarding the construction of the Water and Sanitary Sewer Extensions near Williams Way and the City of Richmond Wastewater Treatment Plant, noting there are no pay estimates for the Board's consideration.

Mr. Tufail then reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$17,730 for the construction of the District-Wide Lift Stations Modifications. He further reviewed and recommended approval of Change Order No. 1 to increase the contract in the amount of \$40,990. The Board concurred that the change order is beneficial to the District.

Mr. Tufail discussed the plans and specifications for the water plant no. 1 fence repair and stated he will prepare the bid to include both wooden fencing and precast concrete fencing. Discussion ensued, and Director Millis stated he will coordinate with Mr. Tufail regarding the finalization of the bid package.

Mr. Tufail reported that the master drainage study has been approved by Fort Bend County and no additional work is required.

Discussion ensued regarding the Fort Bend County Road and Bridge Out-of-District service request and the status of the interlocal agreement for same.

Ms. Harrington and Mr. Tufail reviewed an exhibit reflecting the proposed hike and bike trail plans with the Board, a copy of which is attached, and discussed ongoing land conveyance matters. Discussion ensued, and the Board concurred to resume parks committee meetings again.

Ms. Mihills then reviewed the status of various construction projects and the related developer deposits received for engineering costs related to same, as reflected on page 13 of the bookkeeping report. Discussion ensued.

After review and discussion, and based upon the engineer's recommendation, Director Millis moved to (1) approve the engineer's report; (2) approve the pay estimate presented; (3) approve the change order presented; (4) absorb the remaining \$20,196.40 for the Payne Lane Utility Extension along FM 762; (5) refund the remaining \$10,867.50 for the Crabb River Road Feasibility Study; and (6) invoice the Pet Suites River Pointe developer

for the remaining \$8,997.61 owed. Director Duffy seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES

There was no further discussion regarding this matter.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN

There was no discussion on this matter.

REPORT FROM STORM WATER SOLUTIONS

There was no discussion on this matter.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed Touchstone's monthly communications report, a copy of which is attached.

Ms. Hartwell stated she received draft correspondence prepared by Texas Pride Disposal regarding general garbage service concerns over the previous two years for posting to the District's website. She stated she will send the draft to ABHR for review before posting online. Ms. Hartwell further stated she will coordinate with Texas Pride Disposal to schedule a recycling event in the District in the fall.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS (CONTINUED)

Ms. Foss reviewed an EVO metrics report with the Board, and discussion ensued regarding appointing two directors to work with Ms. Foss on a ten-year budget committee. Following discussion, the Board appointed Directors Millis and Matthews to the 10-year budget committee.

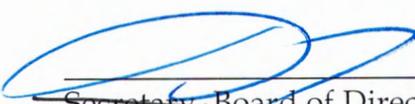
CONVENE IN EXECUTIVE SESSION

The Board did not convene in executive session.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors
Vice President,

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